

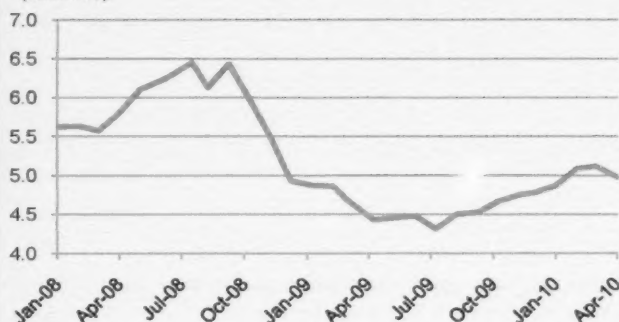
Manufacturing Shipments

Manufacturing sales pull back in April...

Following eight consecutive months of increases, the value of Alberta's manufacturing shipments (seasonally adjusted) fell 2.7% in April. The decline was attributable to lower shipments of petroleum and coal products (-10.9%) which is likely due to the maintenance-related shutdown at a refinery facility. Nonetheless, overall shipments have recovered about a quarter of the losses incurred since the start of the recession (peak-to-trough). Nationally, shipments continued its upward trend as it rose 0.2% in April.

**AB Manufacturing Shipments
(seasonally adjusted)**

(billions \$)



Housing Market

Resale activity feels the pinch of stricter mortgage rules and rising mortgage rates...

May's sales activity was affected by the combination of stricter mortgage regulations and rising mortgage rates which have pulled forward demand into the early part of this year. MLS sales in Alberta fell 16.1% year-over-year, the first decline in twelve months. With the resale market expected to remain balanced, homebuilding activity is likely to moderate further for the rest of the year. Nationally, MLS sales were down 4.3% from a year ago.

New Motor Vehicles

New motor vehicles decline across the board...

New motor vehicle sales declined in all provinces in April. In Alberta, sales fell for the second consecutive month,

Canadian Dollar (US\$/C\$)

June 18, 2010	97.68
June 11, 2010	96.78
2010-11 YTD	97.51

WTI Oil US\$/bbl

June 17, 2010	\$ 76.79
June 10, 2010	\$ 75.48
2010-11 YTD	\$ 78.21

Nymex Natural Gas C\$/MMBtu^{*} Near-month Contract

June 18, 2010	\$ 5.23
June 11, 2010	\$ 4.91

^{*}Estimate based on Nymex Futures Market Price

down 2.7% to 16,077 units (seasonally adjusted). However, sales were up 12.7% from the recession low reached in February 2009.

Wholesale Trade

Strong loonie dampens wholesale trade...

The value of wholesale trade in Alberta fell for the first time since October 2009, down 1.6% to just over \$4.9 billion in April (seasonally adjusted). Nationally, sales decreased 0.3% as the stronger loonie resulted in lower prices paid by wholesalers on imported goods.

Employment Insurance

EI beneficiaries fall in April...

The number of regular employment insurance (EI) beneficiaries in Alberta fell by 2,500 to 49,900 in April, the sixth consecutive monthly decline. Since reaching its peak in October 2009, the number of regular EI beneficiaries has fallen by 31.8%. Nationally, the number of regular EI beneficiaries remained relatively unchanged in April, following declines in the previous six months.

U.S. Economy

US disinflation lingers in May...

As expected, the U.S. consumer price index fell 0.2% month-over-month in May pulled down by a 5.2% drop in gas prices. Core inflation also remained weak as it edged up 0.1%. Given the subdued inflation environment, the U.S. Federal Reserve Board is expected to remain on course with its highly accommodative monetary policy until next year.

Current Economic Indicators

Population	2008	2009	2010YTD*	Dec	Jan	Feb	Mar	Apr	May
Population ¹ (000's) (level)	3,596	3,688	3,708	--	3,712	--	--	--	--
% change	2.4	2.6	2.1	--	1.9	--	--	--	--
Net Interprovincial Migration ¹ (level)	15,317	23,006	-5,315	--	-2,780	--	--	--	--
Net International Migration ¹ (level)	20,039	20,074	12,696	--	4,720	--	--	--	--
Net Non-permanent Residents ¹ (level)	18,536	19,058	1,014	--	-1,425	--	--	--	--
Labour Market									
Employment (000's)	2,013	1,988	1,981	1,995	1,988	1,973	1,969	1,979	1,994
% change	2.8	-1.3	-0.7	-1.0	-1.6	-1.0	-1.0	-0.4	0.3
Unemployment Rate (%)	3.6	6.6	7.0	6.6	6.6	6.9	7.5	7.4	6.6
Participation Rate (%)	74.7	74.3	73.2	73.8	73.4	73.0	73.2	73.4	73.2
Average Weekly Earnings (\$)	923.21	950.13	982.62	949.32	963.38	985.99	998.49	--	--
% change	6.0	2.9	2.5	0.2	1.6	2.1	3.6	--	--
Price Indices									
Consumer Price Index	3.1	-0.1	1.3	0.6	1.7	1.0	1.0	1.6	--
Excluding food and energy	2.1	1.4	1.1	0.7	1.1	1.3	0.8	1.4	--
Non-Res. Const. Cost Index ² (quarterly)	13.2	-9.8	-5.0	-11.2	--	--	-5.0	--	--
Farm Product Price Index	11.5	-11.3*	--	--	--	--	--	--	--
Crops	26.7	-22.9*	--	--	--	--	--	--	--
Livestock	2.1	-0.8*	--	--	--	--	--	--	--
Household Sector									
Housing Starts (SAAR, 000's)	29.2	20.0	29.8	27.6	24.2	28.2	33.9	35.4	27.3
% change	-39.6	-31.6	121.1	54.2	55.1	139.0	164.8	174.4	90.9
New Housing Price Index	0.7	-9.0	-1.1	-6.3	-3.6	-1.4	-0.2	1.0	--
Edmonton	1.0	-11.2	-3.3	-9.4	-6.5	-3.3	-2.4	-1.0	--
Calgary	0.6	-6.7	1.2	-3.1	-0.6	0.4	2.0	2.9	--
MLS Average Resale Prices (\$ 000's)	351.4	340.5	353.4	355.5	344.3	348.2	357.9	359.9	356.7
% change	-1.5	-3.1	7.3	7.5	6.4	5.1	10.3	7.7	7.1
Edmonton	330.8	319.1	329.0	333.4	322.7	327.6	341.4	332.1	321.0
% change	-2.0	-3.5	5.1	2.6	-0.7	2.6	11.0	8.7	4.4
Calgary	401.1	384.3	398.2	400.3	386.4	395.1	398.2	401.3	410.4
% change	-2.9	-4.2	7.1	8.8	5.5	5.2	9.0	6.4	9.2
Retail Sales ³	0.2	-8.3	6.3	1.9	1.0	6.6	11.2	--	--
New Motor Vehicle Sales	-7.3	-21.7	9.8	2.7	-4.8	24.0	15.3	6.9	--
Consumer Bankruptcies	6,066	9,986	2097	634	684	637	776	--	--
% change	27.2	64.6	-10.9	4.6	-1.7	-9.8	-18.4	--	--
Business Sector									
Rigs Drilling	236	128	193	227	287	339	219	62	56
% change	-2.1	-45.6	41.5	-3.8	9.3	42.3	103.5	51.9	76.4
Goods Exports (customs based)	34.6	-37.3	16.1	-14.1	2.1	19.6	18.5	27.8	--
Energy	42.5	-41.4	29.5	-12.4	8.1	36.7	32.8	48.8	--
Agriculture	32.0	-10.2	-20.4	-24.9	-10.4	-20.1	-9.6	-27.6	--
Total Farm Cash Receipts (quarterly)	17.2	-8.1	-17.3	--	--	--	-17.3	--	--
Manufacturing Shipments	7.0	-21.6	7.0	-3.5	-0.1	4.7	10.5	13.3	--
Wholesale Trade ⁴	9.5	-15.9	-0.6	-13.7	-12.2	-2.1	6.3	5.0	--
Building Permits	-16.5	-14.2	38.3	57.0	32.1	69.1	41.4	23.5	--
Residential	-31.5	-11.8	104.1	57.1	156.4	172.1	91.3	63.0	--
Non-residential	3.7	-16.3	-6.6	56.9	-25.9	4.3	2.0	-6.8	--
Business Bankruptcies	447	405	105	32	27	30	48	--	--
% change	-0.4	-9.4	-7.9	6.7	-30.8	-31.8	54.8	--	--

Government of Alberta ■

Finance and Enterprise

Alberta ■

* YTD – year-to-date represents the change since the beginning of the year compared to the same period in the previous year.

¹ Quarterly; annual numbers are presented on a census year basis (July 1 - June 30).

² Average of Calgary and Edmonton

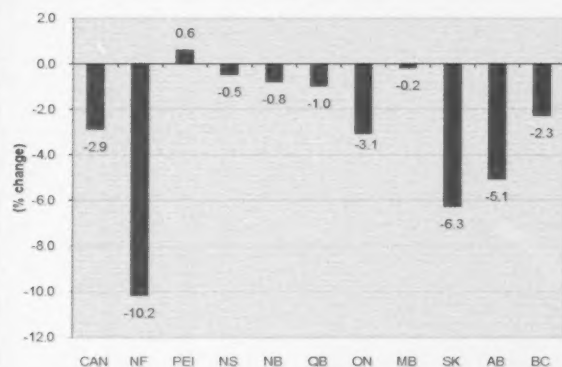
³ The Retail Sales series was revised on April 23, 2010 and is no longer comparable with numbers in previous Bulletins.

⁴ The Wholesale Trade series was revised on April 21, 2010 and is no longer comparable with numbers in previous Bulletins.

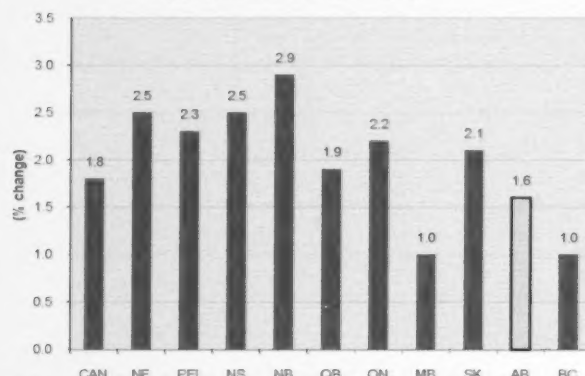
Sources: All data is from Statistics Canada except Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canadian Real Estate Association), Rigs Drilling (Canadian Association of Oilwell Drilling Contractors) and Bankruptcies (Office of the Superintendent of Bankruptcy Canada).

Current Economic Indicators by Province

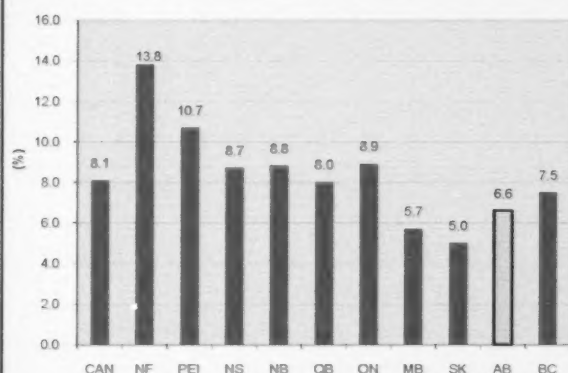
Real GDP Growth
(2009 year-over-year growth, preliminary estimate)



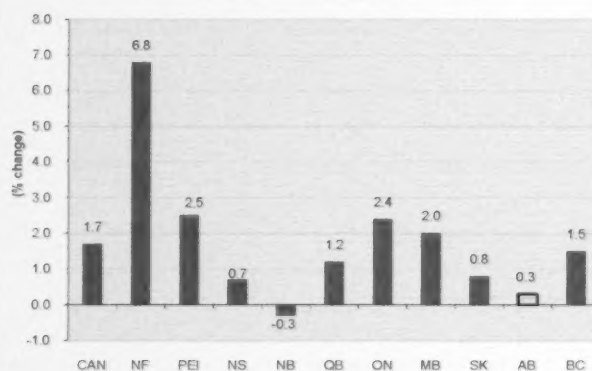
CPI Inflation
(April year-over-year % change)



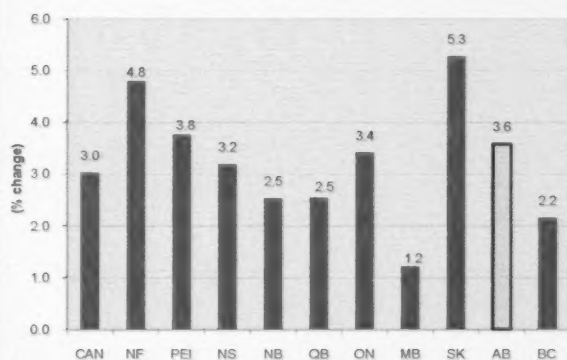
Unemployment Rate
(May 2010, Seasonally Adjusted)



Employment
(May year-over-year growth)



Average Weekly Earnings
(March year-over-year growth)



Housing Starts
(SAAR May 2010)

